

AGENDA
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SEVEN
Wednesday, November 15, 2017
1:00 p.m.

1. SHAREHOLDER(S)' COMMENTS
2. CALL TO ORDER / PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. INTRODUCTION OF GUESTS AND STAFF:
 - Ms. Rapp, GRF Representative
 - Mr. Weaver, Facilities Director
 - Mr. Hawke, Security Services Manager
 - Ms. Hopkins, Mutual Administration Director
 - Mr. Hurtado, Building Inspector
 - Mrs. Aquino, Recording Secretary
5. GRF REPRESENTATIVE'S COMMENTS Ms. Rapp
6. APPROVAL OF MINUTES: **Regular Meeting of October 18, 2017**
7. CORRESPONDENCE Ms. Rettela
8. BUILDING INSPECTOR'S REPORT (p. 2) Mr. Hurtado
 - a. Tom Jean Construction
9. ROOFING PROJECT UPDATE
 - a. Schedule a meeting for the Re-pipe
10. ASPHALT CARPORTS: 86, 87 – Slurry Repair
11. **GUEST SPEAKER –Signage Compliance** **Mr. Weaver**
 - a. Signage for Towing
 - b. Location of signage
 - c. Cost and size of signage
12. **GUEST SPEAKER – Parking and Towing Policy Review** **Mr. Hawke**
13. CHIEF FINANCIAL OFFICER'S REPORT Mrs. Fellows
14. UNFINISHED BUSINESS Mrs. Rogers
 - a. Emergency Information / Shakeout Evaluation meeting
 - b. Ratify adopted/posted Policy 7495.07 – Bay/Bow Windows (p. 3-4)
 - c. Ratify amended/posted Policy 7425.07 – Garden Areas, Trees, Shrubs (p. 5-9)
 - d. Ratify rescinded/posted Policy 7020 – Approval of Escrows (p. 10-11)
15. NEW BUSINESS –
 - a. Discuss Policy 7510.07(PC) – Eligibility Requirements from Presidents' Council (p. 12-13)
 - b. Holiday Party
 - c. Appoint a Committee to review Policy 7501 – Pet Ownership
- (STAFF BREAK (TIME TO BE DETERMINED BY PRESIDENT))**
16. MUTUAL ADMINISTRATION DIRECTOR'S REPORT Ms. Hopkins
17. DIRECTOR(S)' COMMENTS
18. SHAREHOLDER(S)' COMMENTS
19. ANNOUNCEMENTS
 - a. Gifts to GRF Staff – No Alcohol and maximum is \$25.00
 - b. Mutual 7 Holiday Party – Thursday, December 21, 2017 Clubhouse 4
20. ADJOURNMENT
21. EXECUTIVE SESSION – (member issues)
STAFF WILL LEAVE THE MEETING BY 4:10 P.M.
NEXT MEETING: WEDNESDAY, December 21, 2017, at 1:00 p.m.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (07) SEVEN

INSPECTOR: George Hurtado

MUTUAL BOARD MEETING DATE: November 15, 2017 October

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
165F	countertop, shower	yes	06/19/17	10/15/17	no		Los Al Builders
172B	carpet	yes	09/11/17	10/18/17	no		Bixby
148B	walk in tub	yes	08/23/17	12/12/18	no		Buenos Construction
172I	slider, gate, fill blocks	yes	09/19/17	11/13/17	no		Bergkvist
167K	carport cabinet	yes	10/16/17	12/01/17	no		Mike Banfield
150K	plank flooring	yes	10/16/17	11/30/17	no		Kary's Carpet
166B	windows, doors	yes	10/18/17	12/13/17	no		Hadi Construction
172I	awning	yes	925/17	11/30/17	no		AAA Awnings
164C	carport cabinet	yes	10/15/17	11/25/17	no		Mike Banfield
166C	laminated flooring	yes	09/12/17	10/20/17	no		Kary's Carpet
152J	washer/ dryer	yes	10/31/17	12/11/17	no		Bergkvist

ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
166L		09/28/17	10/27/17	10/27/17	11/19/17		
145F		10/20/17	11/09/17				
147E		10/20/17					
146G			10/23/17	10/23/17	11/02/17		
167L		09/26/17		10/27/17	11/08/17		
146K			10/24/17	10/25/17	11/06/17		

NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation
 FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds

CONTRACTS	
CONTRACTOR	PROJECT
Fenn	termites and pests
Total Landscape	gardening
Empire Pipe	sewer cleaning
Innovative Cleaning Services	laundry rooms / partitions
So Cal Fire Protection	fire extinguishers
Jordan Roofing	Roofs (163, 164, 165)

SPECIAL PROJECTS	
CONTRACTOR	PROJECT
Jordan Roofing	roofing - buildings 163, 164, 165

APARTMENT VISITS

Various

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY ADOPTED/POSTED POLICY 7495.07 – BAY/BOW WINDOWS
(UNFINISHED BUSINESS ITEM B)
DATE: NOVEMBER 15, 2017
CC: MUTUAL FILE

I move to ratify adopted/posted Policy 7495.07 – Bay/Bow Windows.

MUTUAL OPERATIONS**ADOPT DRAFT POLICY****PHYSICAL PROPERTY****Bay/Bow Windows – Mutual Seven**

All bay/bow windows presently covered with T-111 plywood, distressed plywood, or wood siding, and any other wood product that complements the bay/bow windows such as corbels and decorative trim, shall be removed and replaced with stucco when the bay/bow window framing and covering are infested with termites. All repair expenses shall be a shareholder expense.

All remodels that include bay/bow windows shall be constructed with stucco as the exterior final covering and shall be "bay to grade" construction. The final stucco covering shall also include weep screed one inch above the six-inch concrete apron. The face of a bay/bow window, whether on the long or short side of a building, shall not extend beyond the drip line. There shall be no shareholder construction or other shareholder encroachment in the area under the attic access. The expense of the entire remodel and the "bay to grade" construction shall be the responsibility of the shareholder.

Effective the date this policy is adopted, all remodels, bay/bow windows, and/or exterior construction shall be constructed with Stucco. Hardiboard may be used as a covering on the inside of the patio in replacing existing T-111 or in constructing an outside closet on the patio. Hardiboard CANNOT be used in place of stucco on the exterior on remodels and expansions.

If Construction using Hardiboard is NOT Approved and Installation begins without Board approval, then it will be removed at Shareholder's expense.

MUTUAL ADOPTION

SEVEN:

(Draft created 09-14-17 cd))

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY AMENDED/POSTED POLICY 7425.07 – GARDEN AREAS, TREES, SHRUBS (UNFINISHED BUSINESS ITEM C)
DATE: NOVEMBER 15, 2017
CC: MUTUAL FILE

I move to ratify amended/posted Policy 7425.07 – Garden Areas, Trees, Shrubs.

MUTUAL OPERATIONS**AMENDED DRAFT****PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Seven****GARDEN AREA SIZES**

Shareholders must maintain a garden area in the front of their apartments, defined by Mutual policy as 36 inches wide measured from the face of the building. All gardens should conform and align with the existing/adjacent gardens. Board approval for garden allowances around large air conditioners is needed. Existing garden extensions beyond the 36" limit are "grandfathered" in until time of sale, remodel or transfer of stock. At the time of resale, remodel, or transfer of the share of stock, the garden line, if necessary, will be brought back to 36 inches at the seller's cost. The work will be done by the Mutual and billed to the shareholder.

Additionally, shareholders of apartments A, F, G and L may be allowed, after Board approval, a garden area at the end of their apartment, up to 48 inches depending on the area available and by not planting so as to encumber entry to the attic by ladder or access to the meter panel. The Board may allow a garden area at the side of a laundry room. When shareholder has permission to use one or both of these areas, shareholder must follow rules as to what plants are permitted and care for the plantings so as to keep them attractive.

Shareholder that would like flowers to be planted at the base of a tree well on Mutual property, which is in front or side lawn, must make a request to the Landscape Committee. The arborists will determine if there is space for plants without jeopardizing the health of the tree. The type and location of the plants to be used will be determined by the arborist and planted by Mutual gardeners. Shareholders may not place pots with plants around any trees. Shareholders requesting tree well flowers will be responsible for fertilization and watering of the flowers in the tree wells. Approval for these special garden areas may be revoked at any time without reimbursement to shareholder for items removed.

GARDEN USE

1. Shareholders may plant greenery of their choice from the list of Mutual approved plants (see page 4). Trees may not be planted in the garden area without Board approval. All trees and other plants (i.e. Ficus trees and bamboo) with root growth that is invasive and has the potential of damaging the Mutual structures and walkways are prohibited in the garden area. Vines are not permitted to climb on any structure or light poles. If a trellis is used, it must be free-standing and be kept 12" below the eaves. All planting must be trimmed back 6" from the building or carport wall and 12" below the eaves. Trunk diameter of a plant may not exceed 4". Removal of any offending growth will be done by the Mutual at the shareholder's expense if the shareholder does not maintain these standards. Shareholders must keep their garden areas planted in a neat and attractive state, and dispose of all garden debris in the proper trash bin. If the garden area is deemed to be "unkempt" or overgrown, the shareholder will be asked, in writing, to correct the problem. If the

MUTUAL OPERATIONS**AMENDED DRAFT****PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Seven**

shareholder does not comply with the request, then the Mutual will do so. In this case, the shareholder will not be reimbursed for any plants, pottery, containers or non-authorized items that are removed.

2. Fertilization and plant pest control within the garden area are the responsibility of the shareholder and will be done at their cost. Mutual garden service will give shareholder an estimate of cost if the shareholder desires the gardener to perform this work. Watering this area is the shareholder's responsibility. Overwatering is not permitted.
3. Gardens are cultivated by the Mutual gardening service UNLESS the shareholder desires to perform this task. The shareholder should request red flags from a Director to place in the garden area if the shareholder wants to care for the garden himself. Gardeners are instructed to remove weeds, including baby tears, wild mint and plants of the spiderwort family, all of which can spread into the lawn or neighboring garden. Roses are trimmed in December/January by gardeners except for red-flagged gardens. Plants must be cut back so as not to extend over garden line in all cases.
4. Potted plants are not permitted on the entrance walk or lawn nor can they inhibit the 36" entry requirement. Potted plants are not allowed in tree wells. Potted plants must be in decorative pots (not the plastic or metal nursery containers). Risers for plants may not exceed 12" in height. Further, potted plants are not permitted on top of electrical padmount transformers, to be hung from or placed on padmount enclosures (per Policy 7492), nor on telephone vaults. All potted plants in the garden area must be placed on a paver.
5. Free-standing, inanimate objects are permitted in the garden area only. Small decorative rock (i.e. lava rock or gravel) is not allowed in the garden since loose rock can create mowing hazards.

MUTUAL OPERATIONS**AMENDED DRAFT****PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Seven**

6. Carport wall gardens shall be 30" maximum, including any decorative edging. If no garden area exists, shareholder may establish a garden. Shareholder must pay the Mutual gardener to remove sod and move sprinklers, as required. Planting shall be in accordance with the list of Mutual-approved plants (see page 4). The rules governing the gardens adjacent to the apartments will also apply to the carport wall gardens. Vines and other climbing growth that will attach itself to the carport wall are prohibited and will be removed at the shareholder's cost. The shareholder shall keep the garden area in a neat and attractive state. Failure to abide by Mutual gardening rules will result in a revocation of usage privilege. At time of resale, any wall gardens beyond 30" will be moved back at the seller's expense.
7. Sprinklers within a shareholder's garden area or wall gardens, if desired and feasible, must be approved by the Parcel Director and installed by the Mutual gardeners at the shareholder's expense. Maintenance of sprinklers will be at the shareholder's expense.
8. Garden edging materials, except for the standard cement scallops, shall have a minimum five-inch strip between the garden and the turf. Any decorative edging materials shall also have a minimum Five-inch cement strip to reduce damage to the decorative edging material from lawn mowing and edging; i.e., special entryways, pavers, and other golf cart pads.
9. Violations of this policy will result in removal of the offending plant/tree/item at the shareholder's expense. Also, planting of bare gardens will be done by the Mutual, at the shareholder's expense, if such planting has not been done as requested by written notice.

TURF AREAS

Turf areas are all the grounds located outside of each apartment, with the exception of approved garden areas. This area is owned by the Mutual and the maintenance of same is the exclusive responsibility of the Mutual. Shareholders are not permitted to install, remove, prune or relocate plants or any other landscaping in turf areas. This includes areas around light poles. Shareholders are not permitted to install, remove, relocate or adjust sprinklers in turf areas. The Parcel Director has the authority to remove any problem plant or tree without Board approval. Such plant or tree may or may not be replaced. Projects requested by shareholders that would result in changes to turf area must be approved, in writing, by the Mutual. The Mutual "common areas" can be used for temporary reasons, i.e. construction activity, moving, etc. with Director approval. Damage done to turf areas due to irresponsible acts by the shareholder or contractors will be corrected by the Mutual at the shareholder's/contractor's expense.

GARDENING LIST

Listed below are bushes or shrubs that do well and are recommended for garden areas.
(Draft created 09-25-17 cd)

MUTUAL OPERATIONS**AMENDED DRAFT****PHYSICAL PROPERTY****Garden Areas, Trees, Shrubs – Mutual Seven**

Personal selection is not limited to this list.

Azalea	Fuchsia	Indian Hawthorn	Rose
Camellia	Gardenia	Juniper shrubs (small)	Star Jasmine
Dahlia	Hibiscus	Lily of the Nile	
Day Lily	Holly Family	Mirror Plant	
Flax	Hydrangea	Nandina Domestica	

Perennial flowers do well in our climate and soil. Young plants need protection from rabbits.

The following plants are NOT PERMITTED in the garden areas:

Asparagus Fern	Ivy
Baby Tears	Jade plant
Bamboo	Members of the Spiderwort Family
Bird of Paradise	Morning Glory
Citrus/Fruit of any type	Palm trees/plants if large-growing
Ficus or other trees	Wild Mint

Effective September 20, 2017, all Firestick plants, also known as milkbush or pencilbush, and officially as euphorbia tirucalli, are prohibited within Mutual Seven. The Mutual does not allow Firestick plants to be planted in any flower bed, or in any pot placed in the flower bed or on any patio, either open or closed. Any existing Firestick plants will be removed immediately by the Mutual landscape gardeners with or without shareholder permission.

Vines that climb or cling to deco blocks, buildings or light poles are not allowed. Climbing or espaliered plants must be confined to a trellis that clears the building or wall. All growth must be kept trimmed away from buildings and must not interfere with mowers.

All shareholders are urged to discuss plantings with the Board of Directors or the Landscape Committee before making major changes in their garden areas.

MUTUAL ADOPTION**AMENDMENT**

SEVEN: 11-21-00

07-18-12, 11-24-14

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY RESCINDED/POSTED POLICY 7020 – APPROVAL OF ESCROWS
(UNFINISHED BUSINESS ITEM D)
DATE: NOVEMBER 15, 2017
CC: MUTUAL FILE

I move to ratify rescinded/posted Policy 7020 – Approval of Escrows.

MUTUAL OPERATIONS**RESCIND MUTUAL SEVEN****Approval of Escrows – All Mutuals Except Two, Three, Five, Nine, and Ten**

RESOLUTION:

WHEREAS, Article V, Section 2, of the bylaws vests power in the Board of Directors to accept or reject all applications for membership and admission to occupancy of a dwelling unit in the cooperative housing project, and

WHEREAS, a system utilizing questionnaires and a medical examination has been instituted to expedite determination that the potential buyer meets all established criteria, with the responsibility for operation of said system resting on paid employees of the Foundation and Health Care Center, and

WHEREAS, it is necessary that escrow papers be signed in a timely manner but calling special meetings of the Board to accept or reject each application in escrow would prove cumbersome,

NOW, THEREFORE BE IT RESOLVED, THAT

1. The President of this Corporation is appointed and empowered to act in behalf of the Board in signing various document in escrow that are necessary to accept or reject potential members of the Corporations.
2. Should the President be absent or otherwise unable to perform, then any officer of this Corporation shall be empowered to sign such papers on behalf of the Board.

MUTUAL ADOPTIONS

ONE	12-07-72	
TWO		(See Policy 7020.2)
THREE	11-20-72	(See Policy 7020.03) Sep 2017
FOUR	12-04-72	
FIVE	11-15-72	(See Policy 7020.05) Dec 2016
SIX	12-08-72	
SEVEN	11-17-72	
EIGHT	11-27-72	
NINE		(See Policy 7020.9)
TEN	11-30-72	(See Policy 7020.2)
TWELVE	11-09-72	
ELEVEN	11-16-72	
FOURTEEN	11-10-72	
FIFTEEN	11-20-72	
SIXTEEN	12-14-72	

MUTUAL OPERATIONS

PRESIDENTS COUNCIL DRAFT

RESIDENT REGULATIONS

Eligibility Requirements – Mutual Seven

All persons Any person or persons jointly seeking approval of the Board of Directors of Seal Beach Mutual No **Seven** to purchase a share of stock in the Mutual, and to reside in the Mutual, shall meet the following income eligibility criteria:

A. Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.

B. Meet the Mutual eligibility criteria as follows:

1. Age

Minimum of 55 years, as confirmed by a birth certificate or passport. A driver's license is not acceptable as proof of age.

2. Financial Ability

a. Verified monthly income that is at least ~~(4) times~~ **4.5 times** or greater **than** the monthly carrying charge (Regular **GRF and Mutual** Assessment plus Property Taxes and Fees) at the time of application and have liquid assets of at least ~~-\$25,000.~~ **\$50,000 over the purchase price.** Verified monthly income/assets can be verified by any combination of the following **and may be in the form of:**

1. Tax returns **for the past two years.**

2. 1099s for interest and dividends **for the past two years. (assets used to purchase unit will not be included in income calculations)**

3. 1099-Rs for retirement income from qualified plans and annuities **for the past two years.**

4. SSA-1099 Social Security Benefit Statements **for the past two years.**

5. Brokerage statements and current interim statement **for the past two years. (assets used to purchase unit will not be included in income calculations)**

6. **At least the most recent** six ~~to twelve~~ **month's worth** of checking/savings account statements **(assets used to purchase unit will not be included in income calculations).**

b. Adjusted Gross Income per 1040, 1040A, or 1040EZ; plus that portion of Social Security, IRA distributions, and pensions and annuities not included in adjusted gross income; plus tax exempt interest; **(assets used to purchase unit will not be included in income calculations)** minus income tax, Social Security, Medicare, and self-employment taxes paid; and minus Medicare, medical insurance and prescription

MUTUAL OPERATIONS**PRESIDENTS COUNCIL DRAFT****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Seven**

drug premiums; all divided by twelve (12) will equal net monthly income to be used in Paragraph 2.a. above.

c. Projected assessments will be the previous year's assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by twelve (12) for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times ~~four (4)~~ **4.5** will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income/assets.

Verification shall be done by the Escrow Company and the Stock Transfer Office **for each proposed shareholder(s)** prior to the new buyer interview **orientation** and prior to the close of escrow (the above verification will not be done by the individual Mutual Directors; Directors will not be required to study or understand the financial requirements).

d. Only the resident shareholder's income shall be considered for qualifying.

e. If moving within Leisure World, or if there are any additions/changes to the title, the proposed shareholder(s) must meet these eligibility requirements.

f. A credit check will be performed by the escrow company, with the results included in the financial package.

3. Health

Have reasonably good health for a person of his/her age, so that shareholder can take care of normal living needs without calling on other members of the cooperative for an undue amount of **assistance (see individual Mutual requirements)**. Leisure World is not a skilled nursing home facility or an assisted living facility.

C. Assume, in writing, the obligations of the "Occupancy Agreement" in use by the Mutual Corporation.

Officers or Committees of the Board of Directors designated to approve new applicants are responsible that the eligibility criteria of this corporation is equitably applied to all applicants. Approval or disapproval of buyer(s) must be received by the Stock Transfer Office at least ten (10) working days prior to the close of escrow.

MUTUAL ADOPTION

SEVEN: 05-15-70

AMENDMENTS

09-17-93, 09-19-08

Page 2 of 2

(draft created on 11-08-17 ka (PC))